

# **TRANSPORTATION SUMMIT**

## **ISSUE: Funding**

Comments from Planning Team at October 27, 2003

### **Competition**

- A lot of cannibalism for unhealthy competition between modes and between providers; i.e., the pot of money available for transit and the infighting that results.
- Public transportation, mass transit, and road system shouldn't compete; but by working together they can battle the concerns with congestion and the stalled economy.

### **Communication**

- As a coalition representing transportation, we have not been able to tell the tax payer exactly what we give them for their taxes. We only provide this information during crisis times, which is a poor way of selling what we are doing here.

### **Current System**

- Striving for more transportation funding above and beyond what we have now; but with current budget system, we will be striving for what we have now.
- Current distribution of revenues of state, may have been okay in past, they are so confused they won't work in the future.
- To date our funding system, both nationally and state-wide, has not been needs based; it has been revenue based or budget based.
- Reducing trips and integrating land use in transportation planning are not true funding priorities.
- The 1% from the Michigan Transportation Fund (MTF) formula to be spent on non motorized is the reporting system showing where that money goes is not very effective.
- Linkages between different modes of transportation are not sufficiently funded.
- Michigan's roads won't catch up with those in other states as long as Michigan ranks in the bottom 10 of per capita funding.
- Seems to be a conflict in the system, if you are more fuel efficient or reduce trips, you reduce your revenue streams so the incentive doesn't exist to do things better.
- Transportation funding doesn't seem to be a priority with current Michigan Legislature.

## **Fuel Tax**

- Transportation funding system relies too heavily on fuel taxes.
- Fuel tax does not keep pace with inflation.
- The lack of increase in diesel fuel tax sticks out like a sore thumb.
- Fuel taxes should be indexed to inflation.

## **General**

- We need more money.
- I am seeing the same familiar faces that have hung in here over the last ten sessions; others have left after lunch. Folks in the room now deserve an extra pat on the back for staying and helping out.
- We heard that on a federal level, given the political timing, there is an opportunity for increased federal funding.
- The Comprehensive Transportation Funds (CTF) has seen considerable reductions over the past several years.
- Even if we get a substantial increase in revenues from Washington, it won't alleviate the problem back here in Michigan.
- There is no silver bullet. There will have to be a combination of bold reforms.
- Need to start identifying champions.
- The significant changes are going to gore a lot of ox and we need to make sure that everybody's ox gets gored proportionately.
- The transportation budget grew and continues to grow.
- Transportation budget might be subject to raid for the general fund.
- Leadership is not going to come from the Legislature on this issue.

## **Optional Funding**

- New methods of gaining revenue is almost a given.
- We have fulfilled our charge to think out-of-the box today. I am convinced that we need to find ways to generate regional streams of revenue.
- I heard the message that if we are tied to a funding increase, even if regional, traditional groups will have to look at reorganizing and increased efficiencies; may have to go to tax payers with something that looks different.
- Need to look beyond traditional ways of doing business and think out-of-the-box in regards to generating revenues, as well as taking care of needs identified by the system.
- There are a lot of funding options: regional revenue, impact fees, etc. We need the support and action of the Legislature.
- More local option taxes need to be explored.

- Needs to be a way to continue alternative fuels without hurting the revenue base.

### **Public Transit**

- We need to work to get our money back from Washington, especially the transit side.
- There is transportation project funding money that we are not getting because it is earmarked for transit or public transportation projects, which we don't have here in Michigan.
- Public transit is allowed 10% in the formula; unfortunately public transit only receives 8% and gets us to the point of fighting for the same funds.